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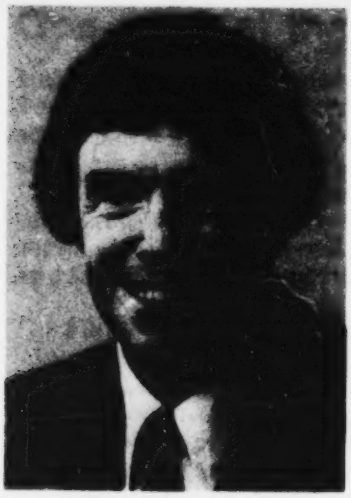
Government of Saskatchewan

Annual Report 1981-82

Saskatchewan Legislative Assembly Members Superannuation Fund



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Regina, Saskatchewan
June 30, 1982

His Honour C. Irwin McIntosh
Lieutenant Governor
Province of Saskatchewan

Sir:

I have the honour to transmit herewith the Annual Report of the Members of the Legislative Assembly Superannuation Fund for the year ending March 31, 1982.

I have the honour to be, Sir,

Your Obedient Servant

J. Gary Lane
Minister in Charge

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Operation of the Plan

The Members of the Legislative Assembly Superannuation Fund is continued in accordance with the Members of the Legislative Assembly Superannuation Act, 1979. The Fund was created to provide a pension to individuals in respect of their service to the Province of Saskatchewan as a Member of the Legislative Assembly.

The Fund is credited with contributions and interest paid by members and former members, interest or any other revenue accruing on investments in the Fund, and such amounts paid by the Minister of Finance as required by the Act. Payments are made out of the Fund for refunds, pensions, annuities, and supplementary allowances.

The Fund is composed of two pension plans; a unit benefit (formula) plan and a money accumulation plan. Members elected for the first time on or after April 1, 1979 are required to contribute to the money accumulation plan. Members elected for the first time prior to that date are members of the unit benefit plan. Members of the unit benefit plan may, at any time prior to the expiration of the thirtieth day after the last return of the writ of election in the general election following the date on which he ceased to be a member, elect to transfer to the money accumulation plan.

Contributions

Members are required to contribute 9% of their indemnity, sessional and expense allowances, as well as their earnings as a member with additional responsibilities regardless of the pension plan to which they belong. Neither plan is integrated with the Canada Pension Plan.

Contributions by members to the Fund for the year ended March 31, 1982 totaled $265,707.

Pensions

The Fund paid pension allowances to 75 former members and widows of former members throughout the year. Pensions to these individuals are based on a formula which includes years of service and an average salary figure for some portion of those years. It also may include a supplementary allowance paid in accordance with the Act. Allowances paid for the year totaled $688,775.

Investments

Investing of moneys in the Fund is done by Saskatchewan Finance, Investment and Financial Services Branch at no cost to the Fund. The investment policy directs that the assets of the Fund shall be in long-term, high-quality investments yielding the best possible return with minimum risk. The value of the investments (at cost) at March 31, 1982 was $2,131,560.

Administration

In accordance with subsection 3 (6) of the Act, the necessary expenses of administering the Fund shall be a charge upon and paid out of the consolidated fund, and are therefore not charged to the Fund.

Administration of the plan is presently assigned to the Public Employees Benefits Agency with no significant increase in the costs to that unit.

Members of the Legislative Assembly Superannuation Fund

Financial Statements

for the Year Ended March 31, 1982

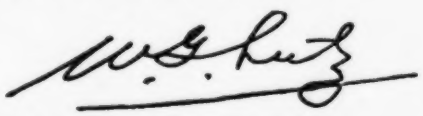
Office of the Provincial Auditor
Regina, Saskatchewan

Auditor's Report

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheet of the Members of the Legislative Assembly Superannuation Fund as at March 31, 1982 and the statement of revenue, expenditure and fund equity for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1982 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan,
June 16, 1982

W. G. Lutz, F.C.A.,
Provincial Auditor.

Members of the Legislative Assembly
Superannuation Fund
Balance Sheet
March 31

	1982	1981
Assets		
Members' contribution receivable	$ 43,138	$ 3,813
Minister of Finance contributions receivable	42,400	17,634
Accrued interest receivable	84,486	62,474
Investments (Note 1) (Schedule 1)		
(Market value 1982 — $1,724,508; 1981 — $1,414,449)	2,131,560	1,714,556
	$ 2,301,584	$ 1,798,477
Liabilities and Fund Equity		
Liabilities		
Bank overdraft	$ 26,251	$ 35,682
Accounts payable	—	85,378
	$ 26,251	$ 121,060
Fund equity		
Unit benefit plan (Statement 2, Note 4)	1,911,157	1,564,212
Money purchase plan (Statement 2, Note 4)	364,176	113,205
	2,275,333	1,677,417
	$ 2,301,584	$ 1,798,477

(See accompanying notes)

Members of the Legislative Assembly
Superannuation Fund
Statement of Revenue, Expenditure and Fund Equity
Year Ended March 31

	1982			1981
	Unit Benefit Plan	Money Purchase Plan	Total	Total
Revenue				
Contributions by Members of the Legislative Assembly	$ 237,973	$ 27,734	$ 265,707	$ 199,095
Contributions by the Minister of Finance	727,743	31,457	759,200	541,775
Interest	220,717	41,067	261,784	170,330
Gain on investment disposals	—	—	—	189
	1,186,433	100,258	1,286,691	911,389
Expenditure				
Annual allowance	688,775	—	688,775	624,826
Excess of revenue over expenditure	497,658	100,258	597,916	286,563
Fund equity, beginning of year	1,564,212	113,205	1,677,417	1,390,854
Fund equity, before transfer	2,061,870	213,463	2,275,333	1,677,417
Members transfer from UBP to MPP	(150,713)	150,713	—	—
Fund equity, end of year	$ 1,911,157	$ 364,176	$ 2,275,333	$ 1,677,417

(See accompanying notes)

Members of the Legislative Assembly Superannuation Fund

Notes to Financial Statements March 31, 1982

1. Accounting Policies

   a. Investments

      Investments of the fund are recorded at cost. The difference between cost and par value is not recorded in the accounts but is reflected in the year of disposition in the determination of gains or losses on investment sales.

   b. Administration Costs

      In accordance with Section 3(6) of The Members of the Legislative Assembly Superannuation Act, 1979 the necessary expenses of administering the fund are paid out of the consolidated fund of the Province of Saskatchewan. Accordingly, no provision for these costs is included in these financial statements.

2. Statutory Reporting Requirements

   In accordance with Section 42 of The Members of the Legislative Assembly Superannuation Act the following information is provided:

	1982	1981
Contributors to the Fund		
Unit Benefit Plan	71	57
Money Purchase Plan	17	10

During the year 75 superannuates received allowances.

3. Actuarial Valuation Unit Benefit Plan

   The last actuarial valuation of the fund as at July 1, 1975 determined that there was a deficit of $3,392,850 as at that date. This deficit was calculated as the excess by which the aggregate of the present value of benefits of retired members, former members with deferred pensions and of the expected benefits of present active contributors exceeds the value of the existing assets and the present value of the expected regular contributions by and on behalf of the active contributors.

New legislation was assented to in 1979 which provides for the Minister of Finance to pay to the Fund an amount equal to contributions of the members, an annual payment of $500,000 and any further amounts that may be appropriated by the Legislature for the purpose of the Act.

4. Money Purchase Plan

New legislation was assented to in 1979 which continued the "unit benefit" superannuation plan (Part II of the Act) and established a new "money purchase plan" (Part III of the Act) for the members. Members elected after April 1, 1979 will contribute to the "money purchase plan". New legislation was assented to in 1980 which permits members the option to transfer to the "money purchase plan" until May 1, 1981. During the year ended March 31, 1982 seven members elected to transfer to the "money purchase plan".

5. Subsequent Events

On April 26, 1982 the results of the Provincial election left 22 active members in the Unit Benefit Plan whose contributions in 1981/82 were approximately $69,000. There were 31 members in the Unit Benefit Plan who were not re-elected of which eighteen are eligible at April 26, 1982 for pension benefits amounting annually to $357,000. In addition, the Money Purchase Plan will have an increase of 41 active members.

Schedule 1

Members of the Legislative Assembly Superannuation Fund

Schedule of Investment Transactions Year Ended March 31, 1982

(Provided in accordance with the provisions of Section 42 of The Members of the Legislative Assembly Superannuation Act)

Investments — at Cost	Balance April 1, 1981	Acquisitions	Dispositions	Balance March 31, 1982
Government of Canada	$ 49,500	$ —	$ —	$ 49,500
Provincial and Provincially Guaranteed				
Ontario Hydro	34,606	—	—	34,606
Quebec	4,975	—	—	4,975
Saskatchewan	1,405,797	253,313	—	1,659,110
	1,445,378	253,313	—	1,698,691
Urban Municipalities — Saskatchewan Towns	1,341	—	341	1,000
Union Hospitals — Saskatchewan	30,440	—	—	30,440
	31,781	—	341	31,440
Convertible Debentures	—	181,000	—	181,000
Total Long Term Investment	1,526,659	434,313	341	1,960,631
Short Term Investments	187,897	5,927,956	5,944,924	170,929
Total Investments	$ 1,714,556	$ 6,362,269	$ 5,945,265	$ 2,131,560